

UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF NEW YORK

MOBIL CERRO NEGRO, LTD.

Plaintiff,

v.

PDVSA CERRO NEGRO S.A.

Defendant.

Civil Action No. 07-CV-11590 (DAB)

/DAB/ 06/06/12
STIPULATION AND ~~PROPOSED~~ ORDER

WHEREAS, Mobil Cerro Negro Ltd. ("Mobil CN"), PDVSA Cerro Negro S.A. ("PDVSA CN") and Petróleos de Venezuela S.A. ("PDVSA") (collectively, the "Parties") were parties to and participated in an arbitration constituted under the Rules of Arbitration of the International Chamber of Commerce's International Court of Arbitration ("ICC") in ICC Case No. 15416/JRF (the "ICC Arbitration");

WHEREAS, the ICC Arbitration was conducted in New York City and within the jurisdiction of this Court;

WHEREAS, the tribunal ("Tribunal") in the ICC Arbitration rendered an arbitral award ("Final Award") on December 23, 2011;

WHEREAS, on January 26, 2012, Mobil CN filed a Motion to Confirm and Enforce Foreign Arbitration Award ("Motion") in the above-captioned action;

WHEREAS, PDVSA CN and PDVSA have complied with paragraphs 5-9 of the Decision of the Final Award;

WHEREAS, paragraph 10 of the Decision of the Final Award contains certain provisions with respect to tax liabilities related to the Final Award;

WHEREAS, the undersigned Parties wish to resolve those matters pending in the Motion regarding the tax liability issues related to the Final Award;

IT IS HEREBY STIPULATED AND AGREED, by and between the undersigned attorneys for the Parties, as follows:

a. PDVSA and PDVSA CN shall: (i) pay into the Venezuelan Treasury or otherwise satisfy, on behalf of Mobil CN, any tax liability that may be imposed by the Venezuelan Government on Mobil CN's compensation awarded by the Tribunal and/or on Mobil CN's income from the Cerro Negro Project; and (ii) hold Mobil CN harmless from any such tax liabilities, including, but not limited to, any related penalties, interest, or fees.

b. Pursuant to Rules 20 and 21 of the Federal Rules of Civil Procedure, in the interest of justice, and to avoid duplicative and protracted litigation, PDVSA is hereby joined as a defendant to the above-captioned action;

c. The Parties consent to the jurisdiction of the United States District Court for the Southern District of New York solely for the purposes related to this Stipulation and Order. Service of any pleadings herein may be effected by delivering copies to the undersigned attorneys for the Parties, in addition to any other method for service of process available under applicable law.

d. The parties confirm that with this Stipulation and Order, the Final Award has been satisfied in all respects, subject only to compliance with this Stipulation and Order.

Mobil CN's Motion is dismissed without prejudice to any action to enforce this Stipulation and Order.

e. This Stipulation and Order shall be interpreted in accordance with the laws of the State of New York, and all rights and remedies hereunder shall be governed by such laws without regard to principles of conflict of laws.

f. Judgment shall be entered in accordance with Paragraph (a) of this Stipulation and Order.

DATED: June 6, 2012

STEPTOE & JOHNSON LLP


By: 
Steven K. Davidson
Admitted *Pro Hac Vice*

1330 Connecticut Avenue, N.W.
Washington, D.C. 20036
Telephone: (202) 429-3000
Facsimile: (202) 429-3902

Attorneys for Plaintiff Mobil Cerro Negro Ltd.

DATED: June 6, 2012

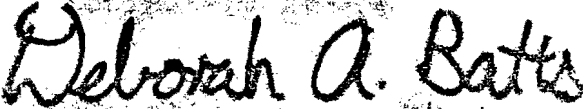
CURTIS, MALLET-PREVOST, COLT &
MOSLE LLP

By: 
Joseph D. Pizzurro (JP0124)

101 Park Avenue
New York, NY 10178
Telephone: (212) 696-6000
Facsimile: (212) 697-1559

*Attorneys for Defendant PDVSA Cerro Negro
S.A. and for Petróleos de Venezuela S.A.*

SO ORDERED



DEBORAH A. BATTS 06/06/12
UNITED STATES DISTRICT JUDGE